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ORIGINAL

August 11, 2006



217263

Honorable Vernon W. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Re: PYCO Industries, Inc.
Feeder Line Development
South Plans Switching LTD
STB F.D. 34890

Dear Williams:

I am writing on behalf of PYCO Industries, Inc., in connection with the above-captioned proceeding. It has come to my attention that there is a typographical error in the table numbers 5, 6, and 8 of the Supplementary Verified Statement of Charles H. Banks. I am enclosing an original and ten copies of the corrected version of the tables.

Sincerely,

A handwritten signature in black ink, appearing to be 'John D. Heffner'.

John D. Heffner
On behalf of PYCO Industries, Inc.

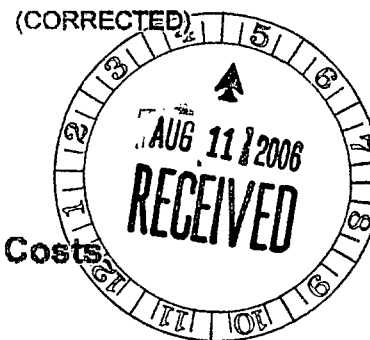
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ORIGINAL**Table 5**

**Revised Going-Concern Value Computation
Adjusted to Reflect Site Specific
Maintenance of Way Program, Routine and Rehabilitation Costs
Alternative Two (SAW Revenues)**



| | | |
|--|------------------|---------------------|
| Cash flow, reflecting URCS maintenance of way costs | | \$ 227,683 |
| RLBA revenue calculated | \$1,040,629 | |
| SAW revenue calculated | <u>889,770</u> | |
| Less: Adoption of SAW Revenue | | \$ 150,859 |
| Site specific maintenance of way costs: | | |
| Program | \$ 38,474 | |
| Routine | <u>53,760</u> | |
| | <u>\$ 92,234</u> | |
| Less: Maintenance of way costs per URCS | <u>66,199</u> | |
| Less: Maintenance of way costs shortfall in URCS | | 26,035 |
| Cashflow | | <u>\$ 50,789</u> |
| Pre-tax cost of capital 2004 | | 14.1% |
| Going-Concern Value, reflecting site specific maintenance costs | | \$ 360,206 |
| Less: Rehabilitate track with 90# rail | | <u>\$ 1,676,000</u> |
| Going-Concern Value, reflecting rehabilitation with 90# rail | | \$ (1,315,794) |
| Going-Concern Value, reflecting site specific maintenance costs | | \$ 360,206 |
| Less: Rehabilitate track with 112#/115# rail | | <u>\$ 2,811,000</u> |
| Going-Concern Value, reflecting rehabilitation with 112#/115# rail | | \$ (2,450,794) |

Sources: Verified Statement of Charles H. Banks, Tables 7 and 27; Verified Statement of Gene A. Davis, Tables 1 - 4; Verified Statement of Joseph J. Plaistow, Exhibit No. 17; Ex Parte No. 558 (Sub No. 8), Railroad Cost of Capital-2004, decided June 21, 2005 and RLBA calculations.

R.L. BANKS & ASSOCIATES, INC.



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(CORRECTED)

Table 6

**Revised Going-Concern Value Computation
Adjusted to Reflect Site Specific
Maintenance of Way Program, Routine and Rehabilitation Costs
Modified Alternative Two (SAW Revenues)**

| | | |
|--|----|------------------|
| Cash flow, reflecting site specific maintenance of way costs (Alternative Two) | \$ | 50,789 |
| Site specific maintenance of way costs: | | |
| Program | \$ | 29,555 |
| Routine | | 44,800 |
| | \$ | <u>74,355</u> |
| Less: Maintenance of way costs per URCS | | <u>42,537</u> |
| Less: Maintenance of way costs shortfall in URCS | | 31,818 |
| Cashflow | \$ | <u>18,971</u> |
| Pre-tax cost of capital 2004 | | 14.1% |
| Going-Concern Value, reflecting site specific maintenance costs | \$ | 134,546 |
| Less: Rehabilitate track with 90# rail (Alternative Two) | \$ | 1,676,000 |
| Less: Rehabilitate track with 90# rail (Modified Alternative Two) | \$ | <u>1,440,000</u> |
| | \$ | <u>3,116,000</u> |
| Going-Concern Value, reflecting rehabilitation with 90# rail | \$ | (2,981,454) |
| Going-Concern Value, reflecting site specific maintenance costs | \$ | 134,546 |
| Less: Rehabilitate track with 112#/115# rail (Alternative Two) | \$ | 2,811,000 |
| Less: Rehabilitate track with 112#/115# rail (Modified Alt. Two) | \$ | <u>2,317,000</u> |
| | \$ | <u>5,128,000</u> |
| Going-Concern Value, reflecting rehabilitation with 112#/115# rail | \$ | (4,993,454) |

Source: Supplemental Verified Statement of Charles H. Banks, Table 5; Verified Statement of Charles H. Banks, Tables 27 and 29; Verified Statement of Gene A. Davis, Tables 1 - 8; Verified Statement of Joseph J. Plaistow, Exhibit No. 17; Ex Parte No. 558 (Sub No. 8), Railroad Cost of Capital-2004, decided June 21, 2005 and RLEA calculations.

(CORRECTED)

Table 8

**Revised Going-Concern Value Computation
Adjusted to Reflect Site Specific
Maintenance of Way Program, Routine and Rehabilitation Costs
All SAW Scenario (SAW Revenues)**

| | | |
|--|------------------|---------------------|
| Cash flow, reflecting URCS maintenance of way costs | | \$ 528,973 |
| SAW revenue calculated | \$2,135,762 | |
| RLBA revenue calculated | <u>1,797,045</u> | |
| Plus: Adoption of SAW Revenue | | \$ 338,717 |
| Site specific maintenance of way costs: | | |
| Program | \$ 144,954 | |
| Routine | <u>165,760</u> | |
| | \$ 310,714 | |
| Less: Maintenance of way costs per URCS | <u>100,463</u> | |
| Less: Maintenance of way costs shortfall in URCS | | <u>210,251</u> |
| Cashflow | | \$ 657,439 |
| Pre-tax cost of capital 2004 | | 14.1% |
| Going-Concern Value, reflecting site specific maintenance costs | | \$ 4,662,688 |
| Less: Rehabilitate track with 90# rail | | <u>\$ 4,068,000</u> |
| Going-Concern Value, reflecting rehabilitation with 90# rail | | \$ 594,688 |
| Going-Concern Value, reflecting site specific maintenance costs | | \$ 4,662,688 |
| Less: Rehabilitate track with 112#/115# rail | | <u>\$ 6,599,000</u> |
| Going-Concern Value, reflecting rehabilitation with 112#/115# rail | | \$ (1,936,312) |

Sources: Verified Statement of Charles H. Banks, Tables 14 and 31; Verified Statement of Gene A. Davis, Tables 13 - 16; Verified Statement of Joseph J. Plaistow, Exhibit No. 17; Ex Parte No. 558 (Sub No. 8), Railroad Cost of Capital-2004, decided June 21, 2005 and RLBA calculations.